DOCUMENT RESUME

ED 178 082 IR 007 830

TITLE	The Financing of Community and Public Access Channels on Cable Television Networks in Member Countries of the Council of Europe.
INSTITUTION	International Inst. of Communications, London (England).
SPONS AGENCY	Council of Europe, Strasbourg (France).
REPORT NO	CCC/DC-76-97
PUB DATE	77
NOTE	36p.; Best copy available; For a related document, see IR 007 804
EDRS PRICE	MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS	*Cable Television; *Community Information Services; Community Resources; Financial Needs; Financial Problems; *Financial Support; Foreign Countries; Mass Media; *National Programs; *National Surveys; Program Development
IDENTIFIERS	*Europe (West)

ABSTRACT

This survey of the current situation in 12 European countries, where cable television has moved from only passive distribution of broadcast signals to the active mode of local origination, includes both official and unofficial discussion about future cable possibilities. The study begins by clarifying the different contexts in which local exploitation of cable arose on each side of the Atlantic, and then considers the situation in those countries where active cable is or has been operational. Each country's experience is described with regard to the opportunities provided by existing broadcasting organizations for public access and/or participation in programming. Particular attention is paid to Great Britain since British cable experiments have continued longer than those in other countries. The issue of financing as a key to control is considered in the context of two questions: whether communities should have a greater share in controlling their own activities, and whether television is too expensive to be afforded at local levels, and thus less amenable to local control and funding than the cheaper medium of radio. The appendix provides an example of U.S. public access programming which has contributed to large profits. (Author/CMV)

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CCC/DC (76) 97

THE FINANCING OF COMMUNITY AND PUBLIC ACCESS CHANNELS ON CABLE TELEVISION NETWORKS IN MEMBER COUNTRIES OF THE COUNCIL OF EUROPE

prepared for the Council of Europe by the

INTERNATIONAL INSTITUTE OF COMMUNICATIONS

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The present study is commissioned by the Council of Europe in the framework of the Cultural Programme established by the Council for Cultural Co-operation. The statements made in this study are the responsibility of the author and do not necessarily reflect the views or policies of the Council of Europe or of its member governments.

IR007830

48.253
04.3

This study was prepared by the International Institute of Communications under the direction of Edward W. Ploman and with the assistance of Peter M. Lewis.

The Institute is grateful to the following for their valuable assistance in providing information for the preparation of this study:-

J- C. Alteresco (France)

J. Avellino (Malta)

M. Barrett (Britain)

A. Besiroglou (Turkey)

A. Bjørnsson (Iceland)

A. Christofides (Cyprus)

J. D'Arcy (France)

P. Desborough (Britain)

R. Dunn (Britain)

P. Faber (Luxembourg)

R. Gahan (Eire)

B. Grausen (Denmark)

E. Haas (Switzerland)

T. Hardiman (Eire)

W. Lehr (Germany FR)

H. Lhoest (Belgium)

J -H. Nyheim (Norway)

J. Rasmussen (Denmark)

G. Richieri (Italy)

B. Signitzer (Austria)

R. Stéphane (Belgium)

M. Townsend (Britain)

O. Wiio (Finland)

W. Wilbers (Netherlands)

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The financing of community and public access channels on cable television networks in member countries of the Council of Europe

1. Summary

This study surveys the present situation in countries where cable has moved from only passive distribution of broadcast signals to the active mode of local origination. In a number of countries, although no 'active' cable is operational, official and unofficial discussion is taking place about future possibilities, and accordingly note is taken of these.

Even if some European countries are heavily 'cabled', in overall terms the active use of cable networks is still a marginal phenomenon compared to the relative maturity of broadcast operations. In the main, policies and regulations applied to local programme origination on cable systems are conditioned by the broadcasting situation. The example of the USA and Canada, where 'public access' and 'community programming' originated, is acknowledged to be decisively influential in Europe but the very different institutional, legal and policy contexts of broadcasting make it difficult to apply North American concepts and terminology to European practice. Consequently, each country's experience is described for what it is, having regard to the opportunities provided by existing broadcasting organisations for public access and/or participation in programming.

The study begins by clarifying the different contexts in which local exploitation of cable arose on each side of the Altantic and then considers in turn the situation in those countries where 'active' cable is or has been operational.

Particular attention is paid to Great Britain since British cable experiments have continued longer than those in other European countries. Moreover, in the new Swindon Viewpoint there is an interesting model of local democratic control and a considerable input of local funding. The Netherlands comes next in terms of actual experience while France has discussed the structure of finance and control more thoroughly than most; here, however, the changed economic and political situation since the original cable initiatives has led to the closure of the only operational example.

The conclusion is that if in North America community and public access programming in cable may be viewed, metaphorically speaking, as a public 'tax' on an established enterprise run for private profit, in Europe the profit has yet to be made which will yield a 'tax'. Countries in the second half of a decade which began with perhaps extravagant claims for the popularity - in commercial terms - of public access, face a decision similar to that which many have to make over transport policy: should cable be allowed to develop a number of attractive services and run at a profit which then can be made to finance community and public access programming, or should it be accepted that cable is a unique instrument in local community development to be run as a public service at a cost to local and national tax payers?

Obviously, financing is a key to control. If it is thought that communities should have a greater share in controlling their own activities, local financing of local cable TV programming becomes a central factor. In this perspective the issue must also be faced whether television is too expensive a medium to be afforded at local levels and thus less amenable to local control and funding than the cheaper medium of radio.

This survey is based on reference to the Institute's records and published documents, as well as contact with and assistance from institutions and individuals in the concerned countries.

2. Introduction

It is necessary to stress from the outset that the terms 'community programming' and 'public access' describe different situations on each side of the Atlantic. In North America they represent, as it were, a tax (of relatively recent introduction) on behalf of the public on systems based on private profit. Most European countries, coming late to locally originated cable programming and thus forearmed with well-documented North American experience, began by considering the public service potential of cable as an integral part of its local exploitation.

In the USA, relative anarchy in the early days of frequency acquisition and siting of stations has led to a situation where, from small towns to middle-size cities, subscribers have for two decades been willing to pay to see out of area programming. Cable in big cities, at first confined to relaying clearer pictures from local stations, has more recently, with the relaxation of FCC rules, been able to offer a wider range of choice as well. In Canada a population concentrated along the border with the USA was willing to pay to see American stations often in preference to its own. Here CRTC regulation was in large part motivated by the Federal government's evolving media policies designed to encourage the vitality of native, English and French Canadian culture.

Thus, at a time of economic boom, a wave of concern about civil and citizens' rights coincided in the late sixties with the arrival on the market of small-guage, low cost video technology, easily usable by non-professionals. In Canada, two important factors in shaping the conception of community television were the awakening political aspirations of Quebec where many of the first experiments in local origination began, and the philosophy of the National Film Board's Challenge for Change programme. The latter's experience of the interface between community video and commercial cable operations led to its submission of evidence to the CRTC which on the face of it was influential in the CRTC's policy formulation. The international reputation of Challenge for Change and the positive approach for the CRTC in successive policy statements in turn ensured that Canadian definitions were influential in Europe.

For the CRTC, 'locally originated programming is programming initiated by cable television personnel. Groups and individuals may be involved, but will usually work under the direction of the local channel staff.'

'Community programming is programming initiated by community groups or individuals. Cable television personnel may be involved in this kind of programming by providing various kinds of assistance, but do not assume any supervisory role on the development and production of the programming itself.'

More recently, the CRTC has filled out these definitions, leaving Canadian cable operators in no doubt that community programming should be distinctly different from the programming offered by radio and television stations serving the licenced areas. Perhaps the most significant factor which sets the content of community programming apart is its ability to turn the passive viewer of television into an active participant.' (2) Licensees are expected actively to seek and identify geographical communities and 'communities of interest' within their cabled areas, attempt to cater for their specific needs, offer training and facilities (decentralised where necessary) for programme production, and originate live coverage of community activities. The CRTC has indicated that it expects 10% of a station's gross subscriber revenue to be committed to the support of the community channel. In the USA, the FCC ruling of 1972 that cable companies in the 'top 100 markets' should reserve three channels for 'public access' has led to a concentration on that phrase and to its successively more detailed definition. One of the access channels was to be reserved for educational use, another for use by local government. The public access channel itself was to be run on a 'first come, first served' basis. Recently, public access itself has been a factor in the increased profitability of US cable (see Appendix).

Turning to Europe, cable systems were passive distributors of broadcast signals for twenty years from the early 1950s, relying for financial motivation on the attraction of clearer pictures (Britain) and the importation of foreign programmes (mainland Europe). Other reasons for the spread of cable distribution were environmental (avoidance of antenna forests in old city centres) and the growing habit of incorporating cable networks in the installations for new towns. Common to all countries were well-established divisions of responsibility between the telecommunications authorities and the mainly public service broadcasting organisations within a legal framework which, while not originally envisaging the local exploitation of cable, for better or for worse was made to accommodate its introduction. In general terms, official policy on local cable activities has been cautious, if not restrictive, for reasons that are partly similar, partly specific to each country.

In Britain, for example, which was one of the first countries to make a tentative move from the passive to the active mode, the restrictions governing the cable experiments ensured that the commercial cable initiatives would be relatively modest and dependent to a large extent on co-operation of non-professionals in the community. However, the practice of the British stations (mixing staff and community initatives in scheduling and production), was begun without much prior theoretical discussion; although not susceptible to categorisation on CRTC lines, Swindon Viewpoint and Bristol Channel owed much to CRTC and Challenge for Change philosophy. (3)

The Société Française de Télédistribution's discussion is perhaps the most useful clarification in the European context:

'The terms "local channel", "community channel" or "public access" must be defined by reference to the power to make decisions on the channel's programming. Thus in a "local channel" this power will belong to the organisation which has the entire responsibility for the programmes and their production ..... The composition of its programme committee (if one exists) would indicate a tendency towards a greater participation of the public, but participation does not mean power of decision ..... The term "community channel" indicates that the decision-making over programming belongs to the public. It might be that the institution responsible for the channel agrees to share its power with others whose claim to be representative remains a difficult point to resolve; or, (a simpler solution) a channel is allocated to the community which sets up, for example, a 'representative' association which is to decide and be responsible for the content of the channel.

The "public access channel" is an approach which is at the level of access to distribution. There is not, strictly speaking, a power over programming decisions, the principle applied being "first come, first served". (4)

That said, it must be admitted that the only common factor in European countries is that cable, in its new, active mode, is seen as a medium of local origination. Whether the programmes and/or services offered are the result of local participation is influenced very much by the context of broadcasting in each country. National broadcasting in a small country may be very responsive to communities (whether geographical or communities of interest) and do so informally (e.g. Finland) or because of a specially devised structure (Netherlands). In such cases where locally originated cable programming is introduced, the term 'public access' (which applies that there are closed doors which need opening) may not be used at all, and 'local programming' may on inspection be nearer to the CRTC's definition of 'community programming'.

It is perhaps significant that in France where central control of broadcasting is dominant, the one cable station that was operational became a focus for radical expression.

Finally, as the decade of the 70s nears its end, a more sombre economic situation (in Europe at least) than the one in which it opened has led to a modification of the original optimistic hopes associated with community programming, a change summed up by the remark of the SFT's Chairman:

'Of all motivations, a political one is the most unhealthy for cable development. I believe that what we need to create and develop are "téléservices" corresponding to the needs of the population and the changing economic circumstances .....' (5)

This study naturally excludes those members of the Council of Europe in which no cable television exists - Cyprus, Greece, Iceland, Malta and Turkey - or, in the case of Luxembourg and Norway where no 'active' use is made or planned of the existing 'passive' cable networks. In certain other member countries -Austria, Germany and Switzerland -although there is no locally originated cable television at present, official and unofficial discussion of future possibilities is of interest and worth recording. For the same reason, Finland, although not a member country (6), is also included.

Currency values

The recent rapid fluctuations in the values of currencies means that figures relating to costs should be treated with caution. Where necessary, dates are given in brackets following a sum given in the local currency; where dates are not given the figures relate to values in the period October - January 1976/77. For convenience, the following table shows the relative values at the time of writing in relation to the British £. (7)

Austria	Schilling (AS)	28.50
Belgium	B. Franc (BF)	60.85
Canada	Canadian $ (Can $)	1.71
Denmark	Danish Krone (D Kr)	9.83
Finland	Markka (FM)	6.42
France	French Franc (F Fr)	8.43
Germany	Deutschemark (DM)	4.01
Irish Republic	Irish £ (£)	1.00
Italy	Lira (Lir)	1.46
Netherlands	Guilder (Fls)	4.18
Sweden	Swedish Krone (S Kr)	7.01
Switzerland	Swiss Franc (S Fr)	4.16
United States	U.S. Dollar (US $)	1.70

References

(1) CRTC 'Local Programming on Cable Television', Summer 1972

(2) CRTC 'Policies Respecting Broadcasting Receiving Undertakings (Cable Television)' 16 December 1975

(3) Lewis, P.M. 'Bristol Channel and Community Television' IBA Fellowship Report, 1976, p. 61

(4) SFT 'Pour Une Télédistribution Française' 1974

(5) Sonovision No. 155, January 1976: interview with M. Hubert Germain

(6) Finland is a member of the Council for Cultural Co-operation of the Council of Europe

(7) The table is derived from the Financial Times, January 1977

3. Austria

Cable television in Austria is still at an embryonic stage. Of a total of approximately two million households, only some 50,000 have cable facilities; of those, only a fraction are actually connected to an operating cable system. As of now, the exclusive purpose of the existing cable systems is to increase the reception quality of domestic and foreign conventional TV programmes. Most community antennas are clustered in the western parts of Austria where programmes of Swiss and German stations can now be received in remote mountain valleys. An additional economic stimulus is provided by the large number of German tourists who are given the opportunity to watch their familiar TV programmes on cable even during vacations away from home.

All existing cable systems are solely distributors of conventional TV and radio programmes. So far, none have begun generating their own programmes. As the Austrian Broadcasting Corporation (ORF) holds a legal monopoly on all broadcasting (including 'broadcasting' by means of cable), any local origination on cable would require legislative action. No such 'Cable-Broadcasting Act' is to be expected before 1978 or 1979.

All existing cable systems are financed by private capital investment and subscriber fees. The current estimate is that it would cost approximately AS 10 billion to connect every Austrian household to a cable system providing only increased reception of foreign TV programmes.

A discussion of the financing of local origination on cable remains, of necessity, hypothetical, but a certain measure of information on possible developments in the future can be drawn from the current Austrian debate on cable. There seems to be agreement that cable should be financed primarily by the consumer through installation and operating fees. In addition, it can be expected that local government will contribute to the initial construction costs. Most of the participants in the discussions are of the opinion that a certain amount of advertising is needed (1) No advertising should be admitted, however, in those cable systems whose programming is restricted to brief local newscasts. Both the Socialist Party and the People's Party agree that at least one channel (out of six or eight) should be kept free of advertising. A further potential contributor to the financing of cable would be the publishers of daily and weekly newspapers who have shown a great interest in the evolution of cable. It has been suggested that their participation could possibly ease some of the current tendencies towards continued press concentration. (2)

The establishment of cable TV proper, of course, would require construction of TV studios and other facilities. It is currently estimated that a studio equipped for small-scale productions would cost some AS 60 million (3). To what extent already existing ORF facilities could be used by future cable operators remains a totally open question.

As the debate on the future of Austrian cable is running its course at various levels, some of its potential operators have already begun organising themselves into so-called 'Study and Research Societies of Cable Television' (Studien-und Forschungsgesellschaften für Kabelfernsehen) or similar names. Their organisational set-up and financing arrangements give some hints about how future cable operations might be financed. The recently founded Salzburger Studien-und Forschungsgesellschaft für Kabelfernsehen GmbH' is an example: to the stock capital of AS 1 million the following bodies contributed: 1) the Land of Salzburg AS 550. 000. -; 2) the City of Salzburg Government AS 200. 000. -; 3) the daily newspaper 'Salzburger Volksblatt' AS 25. 000. -; 4) the daily newspaper 'Salzburger Nachrichten' AS 25. 000. -; 5) the Chamber (Bundeskammer) of Commerce AS 50. 000. -; 6) the Chamber (Kammer) of Workers and Employees AS 50. 000. -; 7) the Chamber of Agriculture (Llandwirtschaftskammer) AS 50. 000. -; 8) the Chamber (Kammer) of Farm Workers AS 50. 000. -; (4) There seems to be a tendency nowadays towards a greater financial input by public and/or chartered bodies. Other study and research societies on cable TV show a stronger participation by newspapers; in still another one the ORF is represented along with publishing groups from the Federal Republic of Germany and Switzerland.

References

1) Eugen Semrau et al.: Kabelfernsehen in Österreich? Seminar-arbeit am Institut für Publizistik der Universität Wien, Wien, 1976.

2) Michael Schmolke, 'Die neuen elektronischen Medien (Kabelfernsehen)', Werbung in Österreich, Nr. 14 September, 1976

3) Peter Amlinger (Siemens AG Österreich), "Technische und wirtschaftliche Aspekte des Kabelfernsehens in Österreich," Paper delivered to the 'Linzer Mediengespräche," 24 March 1976.

4) Landeskorrespondenz Salzburg, Edition Nr. 201/Bl. 4, 19 October, 1976.

4. Belgium

Belgium is, after Canada, the most heavily cabled country in the world. The original (1930) monopoly granted to the PTT for telecommunications did not envisage the post-war development of cable distribution, and the government's decision not to enter the realm of cable television at the time of the later (1967) decree meant that cable was developed by the private sector, subject to governmental licence.

The rapid growth and importance of cable transmission of TV programmes has tended to undermine existing regulations. Among other problems, the importation of foreign programmes carrying advertising conflicts with Belgian law prohibiting commercial transmissions. The cable systems now constitute a very significant proportion of the broadcasting distribution services available to the public and within a very few years will be responsible for distribution to the vast majority of viewers. Thus a new Royal Decree on broadcasting by cable is needed and has been repeatedly promised, as the expanding cable service is outside the state monopoly.

Local origination and in particular the potential for community development of cable TV has for some years been seen as a possibility by groups using video in local communities. Interest has been more marked in French-speaking Belgium, and Radio-Télévision Belge (RTB) has been active for several years in assisting various groups in video-animation in the Liège area. RTB played a significant part in setting up the association 'Radio, Télévision, Culture' (RTC) which will be the licencee of the local cable operation in Liège.

This will be one of five experimental licences authorised by a Royal Ordinance of Derogation in May 1976, by which the Minister of PTT and the two Ministers responsible for the public broadcasting systems, RTB and BRT, (i.e. the Ministers for French and Flemish Culture) may grant derogations of the rules which hitherto had prohibited local origination. The licences will be for the provision in defined areas of 'audio-visual programmes of local interest, on condition that these programmes are limited to socio-cultural activities.' The other four licences have been granted to operations in Saint-Josse, Saint-Hubert, Gilly and Gembloux (where some transmissions have already taken place). A 'second wave' of seven stations is envisaged at an undetermined future date and the licencees provisionally identified are Rochefort Vidéoscope, Vidéo Woluwé-St. Pierre, Wolu-vision Woluwé St. Lambert, Seraing, Jambes, Ottignies and le Sart-Tilman.

An Audio-Visual Study Group (Groupe de Reflexion sur l'Audio-Visuel) set up by the Minister of French Culture, proposed the four-fold agreement which was subsequently adopted, between the state, represented by the Ministry of Culture, the local association which will undertake the programming, the municipality and the cable operator.

The main terms of the 'quadrupartite convention' are as follows:- (1)
the association is authorised on an experimental basis to use the cable system to transmit information, socio-cultural community action and education programmes of a local or regional character for an indeterminate period (Art. 1); the association must see that access to the cable is broadly assured in a spirit of ideological and philosophical pluralism according to the 'pacte culturel' of 16th July 1973. Programmes transmitted in this way will not be subject to any kind of censorship (Art. 2); the only sort of programmes banned from transmission are those contrary to law, public order, good standards, or which constitute an outrage, or give offence to a visiting foreign Head of State.

Equally forbidden are commercial advertisements (Art. 3). The association must establish a procedure whereby persons may gain access to the system. The State would provide financial assistance for these experiments as will the municipality. Each year a codicil specifying the amount of aid accorded by the Municipal Administration and the Ministry will be added to the agreement.

It is over the question of finance that difficulties have arisen. The rationale behind the central government funding is the Minister's concern that the programming should not be dependant on either the local authorities or the cable operators. There is no question of altering the law so as to permit advertising.

During 1976, the Govenment announced that the sum of 8 million B. Fr would be available for the experiments - half reserved for the purchase of equipment at the discretion of the licencees and half for the operating costs of the associations holding the licence.

It was generally realised that this sum was inadequate and would be virtually spent by the first five experiments in the first year alone (1976). Gembloux, for example, had fixed its budget at 1,500,000 B. Fr. of which 800,000 B.Fr. were the running costs and the remainder the cost (grant-aided by the ear-marked government fund) of equipment. RTC's budget for the Liège operation was 5,700,000 B. Fr. for one year.

Accordingly, the Ministry encouraged the licenced association to negotiate with municipal authorities and the cable operators for aid. Some municipalities unsuccessfully tried to make a power of censorship a condition of aid. In Liège, the municipality offered 4,000,000 B. Fr. of which a part would finance programmes for which the City would be totally responsible and which would represent a sixth of the total transmission time.

RTB, as has been mentioned, has given practical help in the Liège area, among other ways by putting technicians at the disposal of groups interested in learning to use video.

At the present time, the whole question of finance is being re-examined. Although the Minister has proposed to double the central government contribution for 1977, it is not certain that, even so, the sum will be sufficient to prevent the control of cable television by a local authority which the Minister wishes to avoid.

1) Texte de Convention, etablie par le Ministère de la Culture Française (undated).

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5. Denmark

Considerable development has taken place in the cable television field since the early 1960's. According to an estimate made by the Danish Directorate-General of the Post and Telegraph Services, 9,400 systems serving about 730,000 connections had been established by January 1, 1975. This means that approximately 50% of Danish television households are connected to cable systems. This is largely due to the desire for improved reception of Danish television programmes and also

because of the wish to receive foreign signals, in particular Swedish and German programmes.

The development of cable television systems has taken place mainly in the fifty urban areas which have more than 10,000 inhabitants, as well as in Copenhagen itself. Most systems have less than 100 connections. Existing systems provide a maximum of five or six channels. Permission to establish and operate a cable system is granted only to the owners or tennants of buildings served by the systems (who, in most cases, are responsible for financing them) and also to municipal authorities, 25 of whom have applied for and been granted licences.

Under the Radio and Television Broadcasting Act of June 15 1973, community antenna systems and other systems designed for the distribution of sound and picture programmes to private premises may be used only for the distribution of the programmes of Danmarks Radio and programmes from foreign broadcasting institutions. The Minister of Cultural Affairs may, however, grant permission for the experimental distribution of local programmes by cable.

From October 1974 to July 1976 permission for such experimental distribution was granted to private community antenna associations in the following Danish municipalities: Varde (with 1,800 connections), Haslev (1,100), Naesby (800), Holmogadd (450), Ishøj (5,200 connections dispersed in several separate community antenna systems).

These experiments were financed in the main by the concerned community antenna associations, but in some cases limited assistance was given by the Ministry of Cultural Affairs and the local municipality. Local experiments could not be financed by advertising.

The Radio and Television Broadcasting Act is due to be revised in 1977. At that time the Danish Parliament will decide on the future organisation of local radio and television. The decision will be based on, amongst other factors, the experience derived from local experiments. The findings from such experiments will be collated in a report during the Spring of 1977.

6. Eire

While there is no community programming taking place in Eire today there has been such programming in the recent past, and it is probable that it will resume in limited form in the foreseeable future. It thus seems practical to summarise the background against which such programming will have to operate.

Since the establishment of the BBC and ITV television services in Northern Ireland and Wales there has been an overspill of signals into the Irish Republic, both along the east coast and in the Border countries.

When the RTE (Radio Telefis Eireann) television service started in 1961 it was estimated that about 80,000 homes already had television sets to receive these external signals. This situation provided a strong incentive for cable, and successive government measures easing restrictions on cable operations stimulated development. An interesting aspect of the licensing system introduced in 1973 is the requirement on each cable operator to remit 15% of gross revenue to the Government as a levy to compensate RTE for loss of audience and therefore advertising income.

At the present time it is estimated that 75% of the 200,000 homes in Dublin with television are connected to cable systems operated mainly by M. C. A., Phoenix and RTE Relays, a division of the national broadcasting service set up for this purpose on the basis that if cable transmission were inevitable RTE should be involved and the profits could be used to help fund broadcasting.

With the success of the systems in Dublin and in a number of small fringe reception towns, multi-channel groups in the cities outside Dublin - i.e. Cork, Limerick, Waterford and Galway - have for some time been seeking a cable system as a first step towards the retransmission of the BBC and ITV services in their areas. Since all of these cities, with the exception of Waterford, are outside the off-air reception areas of external services, micro-links or coaxial cable would be necessary to extend artificially reception of these signals by about 160 miles. The recent decision of the Government to permit such micro-wave links has been welcomed by the domestic cable industry, while arousing some concern among British broadcasters because of the copyright problems involved.

While the primary use of cable has been to distribute external and national services, some experiments in the use of the systems for community television have taken place. In all cases facilities were provided by the cable companies but the programmes were devised and presented by the local communities. Overall, the interest in these experiments was lukewarm and only one company, Phoenix, persisted with them in two areas. The cost of providing the facilities was estimated at £40,000 per year and Phoenix sought permission to defray expences by the sale of advertising. Limited advertising was permitted but proved a failure, and community programming was discontinued in August, 1976. The local groups involved are trying to find sponsors to cover costs of continued community programming and, if they succeed, Phoenix has agreed to assist them.

7. Finland

Cable television started in Finland at the beginning of 1970's in the form of large community antenna systems. One of the first systems was in Pietarsaari - about 1000 households - for the reception of Swedish TV across the sea. Many apartment blocks are connected to a community antenna for receiving Finnish, and, in certain cases, Swedish TV programmes.

Cable television was first mentioned in governmental planning when a government committee suggested in 1971 that cable TV should be a government monopoly. This suggestion was widely criticized and the Ministry of Communication appointed a 'one-man commission' on radio, television and cable television legislation - Professor Osmo A. Wiio - who wrote a proposal for a bill in early 1973. The proposal was debated by the government which tabled a bill in December 1973. The bill was based on Wiio's proposal with some modifications. It was generally agreed that there was at that time no relevant legislation which could be applied to cable television. The bill was debated, but Parliament was dissolved in 1975 before it was accepted. No new bill has been brought before Parliament.

The Wiio proposal was based on a free enterprise concept. The argument was that cable television can be compared with newspapers because of its local nature. There is also no technological limit to the number of channels transmitted in the system - within reason, while available radio frequencies are limited and their use has to be regulated. Wiio's bill proposed a public access channel without, however, going into the details of control or funding. The government proposal defined a cable television system as any system with more than 500 households connected to a common wide band transmission system. All such systems must have a government license. The programming should be supervised by local programme councils as well as by a government appointed national council. No public access channel (on the lines suggested by Wiio) was to be allowed on the grounds that, in the light of some negative experience from the USA, the control of such programmes would be too difficult.

At present (November 1976) there is one operating cable television system in Finland, Helsinki Cable Television (HCTV). As there is no legislation the company operates in a legal vacuum. There are several other projects being planned in various other cities.

HCTV is an independent cable television company, established in 1973 and financed by a broad sector of the Finnish economy. After a period of feasibility research, regular colour transmissions were started in September 1975. At the moment test transmissions amount to about 8-10 hours weekly.

By the end of 1977 there will be five operational channels for local cable television services, in addition to the relay of two national services (YLE and MTV) and one Estonian TV service. The local services will include a local programming channel financed by advertising, a public access channel and three automated channels.

The company's cable network will serve nearly all households in the Helsinki area within ten years, with final penetration expected to be 30 per cent in the tenth year. The number of estimated paying subscribers by the end of 1977 is 5,100. During the test period 1976-1977 locally originated programmes will be free for households. After this an annual subscription fee will be charged. Local advertising will be another source of revenue, but the company has a self-imposed limitation that not more than a third of its revenue should come from advertising.

HCTV's basic idea is to provide viewers with a local programming alternative in the Helsinki area. The schedule includes foreign purchases and, with a modern studio equipped with versatile colour facilities, HCTV can also produce its own local programmes. Some of these are produced and paid for by the City of Helsinki's Information Department. The public access channel is not yet functioning.

8. France

At the time of writing there is no locally originated programming on cable in France, but the context of the present study makes it worth looking at the structure and financing originally proposed for it, even though these have been overtaken by a changed economic situation, the dismantling of ORTF, and a reversal of Government policy.

The original intention of the Government was to experiment before legislating, contrary to the usual French practice of legislating before any activity takes place. This intention was the reason behind the creation of the Société Française de Télédistribution and the designation of seven experiments in cable television.

A decree of 1 March 1972 authorised the formation of the Société Française de Télédistribution (SFT), a joint company of the PTT and ORTF with a capital of F. Fr. 2 million and responsibility for piloting the cable experiments to be decided by the government, and for feeding the resulting evidence into the formulation of a control system and a law governing cable television.

A year later the SFT began work, aided in technical matters by the Centre Commun d'Etudes de Télévision et Télécommunications (CCETT), and following the brief laid down by the Haut Conseil de l'Audiovisuel, at whose inaugural meeting in July 1973, the Prime Minister said of cable TV:

'The Government's decision ..... favours the development of cable television in France. This new technique, although more costly, offers decisive advantages: a wide choice of programmes, decentralisation of the power to plan programmes - in fact a considerable attenuation of the state monopoly - and the opportunity for viewers to use the medium to communicate among themselves. Today I signed letters addressed to the prefects concerned, asking for the participation of the towns of Metz, Grenoble, Chamonix, Rennes, Nice, Créteil and Cergy-Pontoise in experiments each to be organised in a free and varied manner. We are waiting results from these experiments to decide the possibility of future development of cable television in France.' (1)

Up to that moment, cable networks in France were restricted to passive relay of French broadcasting and, in frontier areas, of foreign signals available off-air. Some four hundred built-up areas were cabled.

The new initative envisaged a tri-partite sharing of finance and control in each of the seven cable operations: the SFT, the local municipality and a third part of

mixed, private commercial interests such as banks, cinema chains, local press etc. But although networks had already been constructed or were in the course of construction in the new development of Créteil and Cergy-Pontoise, with one exception none of the local consortia had been established before the result of the Presidential elections of 1974 created a new climate: by this time also the first warning touches on the brakes of the economy were having to be applied.

It was little wonder that the SFT, in a vacuum of practice or political guidance, produced a discussion document (2) in which theoretical analysis and schematic breakdowns of costs largely predominate. The discussion is, however, well worth reading for its clear definition of terms, problems and costing methods, as well as for the historically interesting assumption that for local programming the most practical method would be one in which there was no reliance on voluntary contribution in personnel and programme production, and which would be attractive commercially, even if only marginally so. (3)

If this was an indication of official policy, 'Videogazette' of Grenoble, the one exception since it has been going ahead with programming from December 1973, was out of line: its philosophy was very much that it should be 'part of a general system for the promotion of local cultural activities'. (4)

Videogazette's planning and animation had preceded official (national) authorisation and its funding too was unusual: half from the municipality of Villeneuve de Grenoble-Echirolles and the remainder from the Government funded Fonds d'Intervention Culturel (FIC) and the Centre National pour l'Animation Audiovisuelle (CNAAV). The local press were hostile to this creation of a left-wing local authority and kept their distance.

The capital cost of the station was given as F. Fr. 130,000 (1971 prices) (5) with network and connection costs being theoretically estimated at F. Fr. 500 per household, but in practice being included in the cost of the new town development and charged on the rates. To anticipate, Videogazette's budget for 1976 was planned to be F. Fr. 650,000. Some 3000 households were connected, as were also schools, the cultural centre and one or two other public buildings.

For three years, alone in the whole of France, Videogazette practised local television, and that with a markedly radical policy about public access and with successful radio programming in addition to television. It never expanded, however, beyond the original two districts involved. Although the muncipality wanted to develop the network it could not unilaterally afford the high cost of cabling the old parts of the city, and withdrawal of central government support forced the closure of the station in the spring of 1976 - victim of a much deeper struggle between centre and periphery and the issues of general and local taxation.

A year before, in April 1975, the government, faced with a choice between colourisation of broadcast television and improvement of the telephone network on the one hand, or cable development on another, had reversed their original position. It decided not to develop cable television and, instead of allowing

continued experimentation, to lay down regulations as soon as possible and to have a decree prepared for this purpose. Following the dissolution of ORTF, Télédiffusion de France (TDF) took the place of ORTF as the PTT's joint sponsor of SFT, but, as a consequence of the decision of April 1975, the latter became now more of an advisory body and under a new Chairman (a former Gaullist deputy and Minister of the PTT) it tended to discourage political motivation as a factor of cable development in favour of 'teleservices' on a commercial basis.(6)

The situation at the time of writing is that a new decree is expected which will regularise the position of the new towns whose cable networks will passively distribute national broadcast channels and, where geographically possible, foreign channels also. The latter have, for instance, provided the added attraction which makes the Nice network a commercially viable proposition, distributing 3 French, 2 Italian and 2 Monte-Carlo programmes.

What seems likely is that the new decree will not permit any departure from the state monopoly which, as far as 'sub-national' programming is concerned, is enjoyed by FR3, one of the seven successors of ORTF. FR3 may co-operate with local initiatives but will retain control of programming.

References:

(1) Dubois-Dumée, J-P: 'Cable TV in France, a new medium: structures and projects'. Council of Europe CCC/DC (73) 94 P. II

(2) Société Française de Télédistribution: 'Pour Une Télédistribution Française' 1974.

(3) op. cit. p. 82

(4) Dubois-Dumée op. cit. p. 33 - Memorandum of the CNAJEP

(5) Revue Télédistribution No. 4 Hiver 1974

(6) Sonovision No. 455 January 1976: interview with M. Hubert Germain.

9. Germany, FR

Existing cable systems in the Federal Republic are generally regarded as community antenna systems to be used only for the relay of radio and television programmes. At present, the main issue in regard to active use of cable television concerns the constitutionally defined areas of competence between the Federation and the federal authorities, and the eleven Länder which comprise the Federal Republic. According to the Basic Law, the regulation of telecommunications is a federal responsibility exercised by the Federal Minister of Posts and Telecommunications and the designated operating agency, the Federal Post Office. Post Office authorisation is required for community antenna cable systems ' with active electronic components'. Such systems may be established by private or municipal initiative but as a general rule systems that serve larger areas, (city districts or an entire city) are established and operated by the Post Office.

In contrast to the regulation of telecommunications as a federal monopoly, domestic broadcasting falls under the competence of the Länder and is regulated and operated as a public service both at the Land level and at the national level. The concept of broadcasting has been given a wide interpretation in relevant legislation and includes not only all forms of over the air transmissions but also wired transmissions. Thus, the regulation of any local origination on cable systems would in principle be a matter for the Länder to decide.

However, the extensive interpretation given to 'broadcasting' is not without problem regarding the delimitation of the relative areas of competence of the Federation and the Länder. This issue also under-lies the present discussion of future developments of telecommunication services.

At the beginning of 1976 a report was published by an independant commission - known as KtK derived from its title - which had been set up by the Federal Government to study the development of existing and new forms of telecommunications, in particular data transmission and cable television. With regard to broadband cable systems, the Commission does not favour the establishment of a nation-wide network; it does however give a number of policy indications. There should be separation of responsibility for the hardware and for the information content; local systems and pilot systems should be established with a view to a possible common future network; a number of pilot projects should be carried out to test alternative forms of telecommunications. The Commission opined that the establishment and operation of pilot networks should involve not only the Post Office but also local authorities and private enterprise. In its comments on the KtK report, the Federal Government has indicated that it would favour an exclusive role for the Post Office in this respect.

To date, the Länder authorities have not permitted any local or other active use of cable television. It is agreed that these and other issues related to the development of cable television can only be solved through discussions between the Federation and the Länder.

Consideration of the financing of possible future community or public access programming is therefore speculative: it has concerned as alternatives subscription fees from connected households; a general licence fee and/or contributions from concerned groups. It is thought though that financing from public funds might cause considerable legal and political difficulties. Sections of the press and publishing firms have expressed interest in participating in locally originated cable programming, if only because such participation might minimise the threat to press advertising revenue which local cable activities might pose.

It should be noted that as far as public access is concerned, any programming on cable would be able to take advantage of relatively widespread experience in community video and the successful introduction of various forms of access programming in broadcast television.

10. Italy

It is ironic that local origination on cable, in the celebrated Telebiella case, was responsible for the new and still current Italian broadcasting legislation, - legislation which, however, still does not effectively regulate local transmissions. In 1974 the Italian Constitutional Court deprived the state broadcasting monopoly of its control over local cable systems and over-the-air broadcast relay stations. There followed the 1975 Broadcasting Law, and the subsequent rapid proliferation of private local radio and television stations. The latter were used not only for the relay of domestic and foreign programmes but also, exploiting a legal loophole, for local origination. In 1976, the Constitutional Court reversed its earlier position and, upholding a number of Lower Court decisions in favour of the private stations, excluded local broadcasting from the state broadcasting monopoly. It provided guidelines for future legislation but, in the meanwhile, local broadcasting stations operate in a legal vacuum and there is as yet no clear indication of the intentions of the Government or Parliament in this respect.

The situation today, therefore, is that cable television stations operate on a basis of private initiative outside of the state monopoly, theoretically regulated by the Broadcasting Act of 1975 under which only simple authorisation is required. In practice there is current and widespread disregard of existing regulations.

According to the Italian PTT recipients of programmes over the cable systems are satisfied with the reception of foreign and Italian off-air programmes and there is no community origination or public access being practiced at present. However, under the 1975 Broadcasting Law, it is stipulated that at least one half of the total programme time of a cable station should be of local origin. This proportion is calculated on the basis of the total number of hours transmitted per week, and the time taken for the transmission of fixed images is excluded from this computation. Advertising by cable is limited to a maximum of 5% of the total transmission time and to 6 minutes per hour, and ought to be reserved for local advertising; all advertising from foreign transmissions should be deleted - this, it seems, is rarely done by local operators.

11. Netherlands

As is well known, Dutch broadcasting is uniquely organised in a system whereby representative associations are responsible for programme production and for sharing broadcast time. At local level, where development outside the structure of national organisation (NOS) has been authorised the Government has similarly required associations to take responsibility for transmissions, although these reflect the whole range of local socio-cultural groupings.

As in other European countries, cable systems have been used for the retransmission of domestic and foreign television programmes. Now, though, six local cable television experiments are currently taking place in the Netherlands, following authorisation by the Minister of Culture.

The experiments are operated as follows:-

Melick en Herkenbosch is a rural municipality with over 6000 inhabitants in the province of Limburg. Cable television transmissions began on 17 February 1974. The Melick en Herkenbosch Local Broadcasting Organisation has one full-time employee and some hundred volunteers. Each week one television programme is made: it lasts one hour and is transmitted twice.

Deventer is a medium-sized town in the province of Gelderland. Television transmissions began on 1 October 1974. Each week a programme lasting about an hour is made, oriented towards a particular part of the town. The district is changed every two months. In addition to the weekly programme a number of follow-up programmes are made for each district. The Deventer Cable Broadcasting Association is staffed by some twenty people who receive an allowance and around a hundred volunteers.

Goirle is a town with some 13,000 inhabitants in the province of Brabant where almost all homes are connected to the local cable system. The Goirle Local Broadcasting Association began transmissions on 1 October 1974, with one programme per fortnight. Some fifty volunteers help in the making of both radio and television programmes. Each week a locally originated television programme of one hour is transmitted.

Dronten is a village with several thousand inhabitants which was established after the Flevopolder was drained in 1956. The first homes were built in 1962. The Dronten Local Broadcasting Association began television transmissions on 11 January 1975. There is one hour of broadcasting per week. The Association has one paid part-time employee and seventy volunteers.

Zoetermeer is the fastest-growing municipality in the Netherlands. It has 44,500 inhabitants and is in the province of Zuid Holland. The Zoetermeer Local Broadcasting Organisation began transmission on 15 March 1975. Each week a one-hour television programme is made by some hundred volunteers. At present 13,500 homes are connected to the cable system.

The Bijlmermeer is a suburb of Amsterdam. Since 30 September 1975 the Zuid-Oost Lob Communication Organisation has been making one half-hour television programme every fortnight, preceded by a radio programme of varying length. There is one permanent employee and a group of twenty-five volunteers. At present there are 9000 homes linked to the cable system.

The original intention was that the experimental period should last only two years, but the Minister has since decided to permit an extension. The extra time will not, however, be the same for all the experiments which are eligible. It has been decided to permit the organisations responsible for running the experimental cable transmission to continue their work - if they wish to do so - after the two-year experimental period has expired, until 1 June 1977. Programming beyond the two-year period will not be financed after 1 January 1977.

Finance for the experiments is allocated from broadcasting funds derived from receiver licence fees and broadcast advertising and allocated by the Broadcasting Commissioner who works to the Minister of Culture. It should be noted that the Broadcasting Act makes illegal the commercial financing of cable transmissions.

When the cable experiments began, it was decided that Fls. 450,000 should be made available to each one for the two-year period. The intention was that some Fls. 100,000 would be for capital investment and the remaining Fls. 350,000 for making the programmes. These figures do not include the cost of installing and maintaining the communal aerial systems (the cable networks used), since the experiments were conducted only in areas where such systems were already in existence. The cost of installing and maintaining the facilities necessary for the transmissions to be made by means of the cable networks was included, however. For a number of reasons (such as inflation, special circumstances in some of the transmission areas, and the fact that some of the experiments are being financed for a longer period), it has been necessary to make supplementary funds available. The total sums which have now been made available are as follows:-

	Fls.
Zoetermeer	635,000
Dronten	531,140
Deventer	665,000
Goirle	616,515
Bijlmermeer	680,000
Melick en Herkenbosch	758,700
Total	3,886,355

The cable experiment ceases on 1 June 1977. It has been decided that no more funds are to be made available after 1 January 1977 to the organisations concerned with the experiments. It is considered right to anticipate a situation in which the transmissions will have to be financed at the appropriate level. It is the Minister's view, based on the principle that regional broadcasting is to be regarded as a social service in and for the region, that this too will have to be financed from local (provincial or municipal) resources. It is appropriate that a region should be confronted with the sacrifices necessary for the preservation of its own way of life and the development of its community: the benefit of regional programming must be weighed against other social service priorities. For the sake of local autonomy, it is better that this should be done in a decentralised manner, in the region, rather than in the Hague.

All this does not necessarily mean that a decision will be taken to permit local cablecasting to continue after 1 June 1977. If such permission is in fact to be granted, the organisations requesting it will have to give satisfactory assurances on financing. The Minister's view is that no further allocations will be made, either from broadcasting revenue or from the state. In principle, therefore, finance will have to be provided by the provincial or municipal authorities.

12. Sweden

With the exception of Kablevision Kiruna - in itself a very special case - not much attention has been paid to the development and active use of cable television in Sweden. While there has been a certain amount of public discussion no major activities have been undertaken and, so far, no public policy has been adopted. Under the 1966 Radio Act wired distribution is included in the exclusive broadcasting rights vested in Sveriges Radio (SR).

Kabelvision Kiruna was an experiment conducted during the spring of 1974 and continued during the winter 1974/5. Kiruna is a mining city within the Arctic Circle and 50% of its population is employed by the government-owned LKAB mining company. One of the reasons Kiruna was chosen was because the city has one of the most extensive cable networks in the country installed by LKAB because of otherwise unsatisfactory television reception. The experiment was conducted and financed by SR, the Kiruna local authority and TRU, the Committee on the Use of Broadcasting in Education. The emphasis was on local programmes, staff was minimal and equipment was relatively simple.

The costs of the experiment for the fiscal year 1973/4 were about one million Skr of which the Kiruna local authority paid Skr 100,000, Sveriges Radio Skr 300,000 and TRU the rest. These costs included planning work and the acquisition of technical equipment. In May 1974 TRU applied for extra funds from the Crown to continue the experiment for a further six months.

In its report on the experiment, published in May 1975, TRU concluded that the costs incurred could not be taken as an adequate basis for the evaluation of the costs of a cable television of a similar size because of the unique status of Kabelvision Kiruna. Amongst other conclusions TRU found that 'no particular difficulties were incurred as regards observing the Radio Act, the broadcasting liability law, and the agreement concluded between the State and the Swedish Broadcasting Corporation'.

In relation to the subsequent short continuation of the experiment the committee also concluded that 'the cost of operating permanent activities of the same kind and scope as the latter trial period in Kiruna need not exceed Skr 1 million per annum'. (1)

Reference

1) 'Kabelvision Kiruna. CATV - Experimental application of a new channel in a neighbourhood society'. TRU Committee Stockholm May 1975.

13. Switzerland

At present, one in four of the 1,780,000 TV households in Switzerland receive their pictures by cable. Some of the 150 cable installations serving this audience are not yet complete; when they are, some 700,000 households will be connected.

Cable networks exist to give more and better pictures and for environmental reasons. By the terms of its licence each network must distribute the programmes of the Swiss Broadcasting Corporation, and may on other channels if it wishes import programmes from foreign stations. Local origination (with the exceptions mentioned below) has always been forbidden.

A 'pirate' transmission over a cable network in Yverdon, in October 1972, showed that local origination was a technical possibility and forced the government to confront the legal and administrative problems involved. The Department of Transport, Communications and Energy (DTCE) appointed a Commission which during the following year granted experimental licences of a week's duration to operators in Fribourg, Renens and Yverdon, and, for a second time, in Fribourg in October 1975. The cost of these experiments was borne by the operators. Relatively small numbers of viewers were able to see the programme, and the plea voiced by some Swiss observers (1) for a much longer period in which to test out such a new service would seem to have considerable justification.

The DTCE Commission is at present considering the various problems involved in future development of local origination, such as, what type of organisation should be allowed to transmit programming and what sources of funding would be practicable.

The attitude of the Swiss Broadcasting Corporation towards local cable programming is one of positive co-operation. Burdened with the task of providing a national service in four languages, SSR would gladly see local groups serving local needs, and if necessary assist with advice and expertise. It would only expect that local cable programming should be subject to the same regulation as broadcasting (2)

From an economic point of view it is probable that community or local programming will only be a marginal product of cable TV. However, Switzerland's geographical position gives it the **opportunity to import foreign signals easily.** If the problem of their subsequent redistribution over mountainous terrain can be overcome, Swiss cable would have as strong an economic rationale as cable in Belgium or Canada. The PTT's present programme to bring by microwave links 3 German, 2 Austrian and 3 French channels to communities throughout the country should provide a big boost to cable from which community programming, supported in several areas by considerable experience of video-animation, should also benfit.

References

1) Delay, P. Ed. 'Télévision par Câbles en Suisse - Aujourd'hui et Demain', address, 6 May 1976 (from Delay TV Ingénieurs-Conseils SA, CH-1462 Yvonard)

2) Haas, Edouard (Director, Programme Services, Swiss Broadcasting Corporation) 'La SSR et les nouveaux media in SSR 1975 Annual Report.

14. The United Kingdom

Cable networks, installed and operated by private companies, were well established in Britain in the inter-war period for relaying broadcast radio, and a big expansion took place in the early 50s to bring television services to subscribers, particularly those in the 'overlap' areas between the main VHF transmitters where off-air pictures were of poor quality.

For a long period, a better quality picture was virtually the sole reason for a viewer to connect to cable. No importation of out-of-area signals was allowed, and an experiment in a few areas with pay-TV in the early sixties was too brief to provide clear evidence of demand or profitability.
Even so, by 1972 when the situation changed, Britain was one of the more heavily cabled countries in the world with two million households connected to cable and a further four million households 'under wire' - in all a potential 30% of the total in the country. (1)

In 1972, the Conservative Minister of Posts and Telecommunications unexpectedly granted a three-year licence to Greenwich Cablevision, a small company with a network in South East London, to provide locally originated TV programmes to its 14,000 subscribers. Applications for five more such licences were invited.

At this time, the BBC Charter and the Act governing ITV were due to expire in 1976, and the big cable companies had not prepared themselves to press for a change in their situation until after that date. Regional broadcast television was well developed, the BBC had set up 20 local radio stations and the government was about to launch local commercial radio.

The Government's Technical Advisory Committee estimated during 1972 that the capital cost of providing a national, six-channel wired distribution system would be £500 m., and £1500m for a system with a capacity of up to 24 channels.
The Committee regarded this scale of expenditure as out of the question and the government accepted its recommendation that UHF transmission should be the main means of provision.

Despite the financially restrictive terms of the experimental cable licence (no advertising, sponsorship, increase in subscriber rental or subvention from public funds) the big cable companies decided to apply for licences. It was an opportunity to demonstrate that cable could do more than simply relay off-air signals, and besides the spread of UHF relay transmitters was by now reducing the incentive (and the profitability) of the cable relay business.

After Greenwich, four licences only were granted - to Rediffusion in Bristol, British Relay in Sheffield and to Wellingborough Retail Traders' Association in Wellingborough. In Swindon, the licence was granted to EMI, a large organisation with stakes in music, cinemas and broadcast television, but not in cable. EMI were to use Radio Rental's network. Although at least one local authority is thought to have applied, all the licencees were thus private companies who funded the operation out of the revenue from their business as a whole. There was at first some expectation that the new service might attract additional subscribers but on the whole this source of revenue proved insignificant in relation to the costs. These were left to the companies to decide for themselves, the licence only stating that programmes should be local and designed to appeal to local tastes and interests. Thus feature films and syndicated material were not allowed. Programme schedules had to be approved in advance by the Ministry.

Because of these local variations in expenditure it is difficult to make comparisons between the five British experiments. Nor was there any common framework of audience evaluation established. The University of Leicester's Centre for Mass Communication Research surveyed Swindon and reports are available (2). Bristol Channel TV is the subject of two reports, the official one by Rediffusion and one by the former Station Manager (3). British Relay prepared a report on Sheffield Cablevision in January 1975 (4), but Sheffield Polytechnic's plans to survey the second stage of the station's operations (see below) were frustrated by the abrupt closure of the station. Nevertheless, the tables below set out the main profiles:

Table I Penetration

Company	Area served	Total households connected	Total households 'under wire'	Total no. of households in area
British Relay	Sheffield	32,000	95,000	122,000
EMI/Radio Rentals	Swindon	10,000	23,000	49,200
Greenwich Cablevision	Greenwich	15,000	24,000	84,000
Rediffusion	Bristol	23,000	60,000	200,000
Wellingborough RTA	Wellingborough	4,500	12,000	12,000

Table 2 Costs +

Company	Area served	Capital equipment cost	Staff*	Running cost	Date of operation
British Relay	Sheffield	£57,130 (75)	6-13	£47,500	August 73 - January 76
EMI/Radio Rentals	Swindon	£70,000 (76)	6-7	£60,000(76)	September 73-
Greenwich Cablevision	Greenwich	£26,000 (72)	6	£30,000	July 72 -
Rediffusion	Bristol	£70,000	6-16	£77,000 (74/5)	May 73 - March 75
Wellingborough RTA	Wellingborough	£40,000	6	£20,000	1973-1975

* Staff numbers are shown with original and final totals.

\+ Costs per programme hour are available only for Rediffusion Bristol Channel. Lewis (3) calculated that the 700 hours of the stations programming cost an average of £200 per hour compared with the BBC's £10,000.

During 1973, the Cable Television Association of Great Britain published proposals for the expansion of cable services (1) on a number of channels which would include public access, local television, repeats of broadcast programmes, news films and sporting events as well as remote shopping, weather and traffic information. A variety of funding was envisaged: subscription, optional extra payments, advertising and provision of material by 'the local authority or other bodies'.

Although these proposals were aimed at influencing the post-1976 structure, there seemed some likelihood that the Conservative government would before then ease some of the restrictions on the local experiments. However, the General Election of February 1974 returned a Labour government which viewed the commercial development of cable unfavourably. In retrospect, it is a reasonable guess that its policy was influenced by the conclusions of an independent body, (SCOB) the Standing Conference on Broadcasting which had held an important seminar in November 1973 on cable. SCOB claimed that there was no evidence of public demand or social need for extended TV services and that any extension of cable should take place 'within the framework of an integrated national telecommunications network'. It recommended a revised and extended programme of cable experiments, including the Post Office as well as private systems, and with funding from different sources 'eg. local government, charitable trust grants, fees from government agencies involved.' (5)

The new Labour government transferred responsibility for broadcasting from the Ministry of Posts and Telecommunications to the Home Office, extended the BBC Charter and the Broadcasting Act till 1979 and set up a Committee on the Future of Broadcasting. The cable operators were told that their licences also could be extended until 1979 but were not permitted any relaxation of the restrictions, despite their complaints that the economic situation had increased the burden of the local experiments and cable in general.

Labour was confirmed in office by a second General Election in October 1974 and by the end of the year the situation of Greenwich Cablevision had become so serious that it dismissed most of its staff and drastically cut down its programming. Fearing that Rediffusion might close Bristol Channel, a local group of community television supporters in Bristol appealed to the Minister and to the Annan Committee to change the terms of the licence so as to allow funding from other sources, including public funds. Discussions were held between the Home Office and the companies, and in March 1975 the government announced that at the request of the Annan Committee, in order that the cable experiments should be enabled to continue during the time of the Committee's enquiries, advertising would be permitted. Rediffusion had already decided to withdraw from the experiment and closed down Bristol Channel at the end of the following week. Wellingborough followed suit shortly afterwards. Sheffield and Greenwich agreed to try advertising, the latter still reduced to an hour or two of programming a week. Greenwich now added continuous advertisements which, with the exception of the brief programming period, cycled 24 hours a day, seven days a week.

Sheffield Cablevision used the same system (of slide - projected advertisements) as Greenwich and even one or two specially produced advertisements on video-tape. Mostly these were shown in the non-programme hours, but a few were inserted between programmes. The station began transmitting advertisements in September 1975 and three months later were earning over £1000 a month in revenue. However, in November, the cable operators obtained a further concession from the government - permission to import out-of-area signals. In Britain, regional differences are significant mainly on ITV where, apart from local programmes, the screening of feature movies varies from region to region. Rediffusion brought into Bristol the Midlands ITV signal and transmitted it on the channel vacated by its Bristol station, and British Relay, calculating that the importation of the Manchester - based Granada (ITV) programmes into the Yorkshire TV region would have more appeal than its own local programme, closed Sheffield Cablevision on January 2nd 1976.

Meanwhile the Managing Director of Swindon Viewpoint, with the agreement of his parent company EMI, (which had always declared its willingness to continue for the original three-year term - until September 1976) began to explore the possibility of a transfer of the licence from EMI to the community.

During the year discussions continued between a local steering committee and the Home Office in an attempt to find 'a form of ownership which would be stable enough to satisfy the Home Office, locally accountable and legally able to accept foundation grants as well as earn revenue'. (6) A public meeting decided that seven directors should be elected to run and operate Swindon Viewpoint which EMI offered to sell for a nominal £1. Elections were held in September and the Home Office approved the transfer of the licence to the new Board, none of whom were representative of any of the sources of finance. EMI loaned the £55,000 worth of studio equipment for again a nominal £1 to the new company and the annual revenue, the raising of which had occupied most of the preceding year, was projected as follows:

		£	£
Donations	(Received or Guaranteed)		
Grants	(from Arts Council, British Film Institute and Gulbenkian)		14,000
Individuals, Sports Clubs, Local organisations and local industry		1,720	
Local Council		2,000	
Radio Rentals		15,000	
		18,720	18,720
EMI (for first three months)		15,500	15,500
Earnings	(Received or invoiced)		
Hire of facilities		1,289	
Sale of tapes		328	
Sale of t-shirts, books etc.		204	
Sale of equipment, fees etc.		389	
		2,210	2,210
Earnings	(budgeted)		
Caption advertising (December - June)		3,700	
Hire of Production facilities		2,000	
Local fund-raising		1,000	
		6,700	6,700
	TOTAL		57,130

For some time, the Home Office had let it be known that it would grant a licence to a cable TV station in Milton Keynes, a new town development to the north of London where the Post Office has a cable network. During 1975 and 1976 the Post Office, the Milton Keynes Development Corporation and the Home Office worked out an arrangement to provide for finance and a leading part was played by the Station Manager designate who had formerly been a producer with Swindon Viewpoint. The form chosen was a company with £100 shares, of which nine only would be issued to each of nine directors. Initially three directors were chosen by a steering committee consisting of a Development Corporation officer, the manager designate and a local resident. It will be left to the first three directors to choose their colleagues and/or the manner of choosing them. The constitution of 'Co-Ax Communications Ltd.,' (Co-Ax) expressly forbids representation on its board of funding sources, in this case Post Office or Development Corporation. Thus, as in Swindon, a buffer is provided between sources of finance and the programming of the station; but, unlike Swindon, directors have been, at least at first, chosen rather than elected - reflecting the different situation in Milton Keynes where an 'electorate' has yet to experience the service. Co-Ax appoints the Station Manager, provides for the finance and holds the licence for the station known as 'Channel 40'. The Development Corporation is budgeting £50,000 a year for three years for running costs. An annual grant of £15,000 from the Post Office for research purposes has been commuted and used all at once for the purchase of studio equipment. The station began videotaping material with community help in June 1976 and began its transmissions in the following December.

The final development to date in the British cable scene was the announcement by the Home Office in August 1976 of its willingness to licence up to six cable radio stations, subject to the following principal conditions:

'(a) all programmes must be specifically designed to appeal to the local community in the areas served and must not contain more than a small proportion of commercially recorded music.

(b) applicants must satisfy the Home Office that programme standards are acceptable and will be required to pay a licence fee sufficient to cover Home Office expenses in granting the licence and supervising the experiment.

(c) no sponsored programme will be allowed and applicants will have to show that they can obtain sufficient finance to pay for the service they propose to provide.

(d) applicants will be required to enter into early consultations with the local community as to the operation of the experimental services.' (7)

The Home Office statement went on to say that 'the main purpose of the experiments is to obtain information on possible future developments in this field' and that the Annan Committee welcomed the experiments.

Several new towns are known to be interested in licences for local sound services and one, Telford, has been pressing the Home Office to permit an experiment of this sort. Swindon Viewpoint and Milton Keynes Channel 40, both interested in adding radio to their existing TV operation, were told that their exisiting licence could be amended to cover the addition, thus leaving six licences free for other areas.

Swindon Viewpoint's radio service started in November 1976, staffed with four people and funded from the Manpower Services Job Creation Programme. The JCP had been introduced in 1975 following Canadian examples in an attempt to absorb unemployment by using central government funding to support locally initiated schemes for social and environmental benefit and with an emphasis on the employment of young people.

Thus, at the time of writing , Britain has three cable TV stations, two of which have added (or are about to add) a radio component; additionally, six cable radio licences will have been granted early in 1977.

The mixture of private and public funding which now supports them is the result of an interest in the style and scale of the programming rather than (in contrast to the original initiative) in the medium of cable itself, an interest sustained by practitioners and latterly by a government committee, and despite a change of Ministry and political power; despite also any clearly stated policy by the present administration, which in broadcasting matters has been concerned to keep options open rather than pre-empt the recommendations of its Committee on the Future of Broadcasting.

A fourth UHF TV frequency is available now and much of the evidence submitted to the Annan Committee has been concerned with its allocation. By the 1980s the old VHF bands will have been re-engineered to provide two new UHF frequencies. Teletext, in a system now jointly provided by BBC and IBA, is available in the London area, and the Post Office Viewdata system will soon be through its pilot trials. Against this background two pieces of evidence to the Annan Comittee are of significance.

The Post Office [8] saw it as likely that 'developing technology will permit, and that the public will demand, a widening range of telecommunication services'. This implied an upgrading of the national telephone network and would include some visual services, though 'unless there is an increase in the number of broadcast channels generally available to viewers' widespread growth of cable TV would not be justified. There is in the Post Office evidence an expectation that more broadcast television will become available and that therefore a growth of cable TV networks will follow. The Post Office consider that this growth could be

accelerated by the government allowing additional programming supported by advertising, sponsorship and subscriber payment on a per-programme or per-channel basis. This in turn could bring down the cost of other visual telecommunication services. The Post Office made it clear that it wished to provide cable at local and national level, but not to take any role in programming matters.

By contrast (as one might expect), a different view is taken by the broadcasters. As the BBC put it [9], 'the BBC does not believe that the demand for new outlets over the next two decades will be so great that it cannot be satisfied by the much less costly broadcast channels available.' The BBC maintained that 'in no country has the demand for local or "access" programmes been sufficient to finance cablevision on a commercial basis' and offered to provide community television on an experimental, local basis using a UHF relay.

In the discussion of the Annan report, the views of broadcasting and the Post Office will clearly carry considerable weight, but most will depend on what party is in power to implement the recommendations and what the country can afford.

It is perhaps finally worth observing that in Britain a mixture of public and private funding (including advertising) is an established tradition in broadcasting and that a variety of local sources was originally envisaged as support for the BBC's local radio stations when a previous Labour government authorised the BBC to introduce local radio in the mid-1960s.

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(6) Lewis, Peter M. 'Going Local' Listener (BBC) 2 September 1976

(7) Hansard, 4 August 1976, p. 792.

(8) Post Office Evidence to the Committee of Enquiry into the Future of Broadcasting, December 1974.

(9) BBC Memorandum; Broadcasting in the Eighties and Nineties, October 1975

Appendix

The USA

In view of the European experience where public access programming has not been thought of as a commercial proposition, it is interesting to note an example from the USA, where there has been a recent resurgence of cable profits, which shows public access actually contributing to profits. Even if New York is untypical, and at this stage few conclusions can be drawn, this glimpse of a 'possible future' is thought worth inclusion.

Cable television in the United States is now a profitable $770 million business, Earnings have been improved by the addition of pay-TV and the increase in rates. Manhattan Cable Television Inc. is now, after 11 years, a highly profitable enterprise largely because every subscriber now pays $10 per month whereas in 1972, at $6 per month, Manhattan Cable lost money on every new installation. Warner Cable Corporation, the second largest in the industry with 140 systems and 550,000 subscribers has reported a 600 % increase in pre-tax income for the first six months of this year (1976) with earnings up to $2.5 million in contrast to $366,000 for the same period in 1975. The revenue of the American Television and Communications Corporation went up from $33 million in 1975 to $41 million by June 30 1976 and this increase in earnings seems widely reflected throughout the US cable industry.

Financing Public Access - An Example

In March 1976 Manhattan Cable Television Inc. launched America's first leased public access channel, Channel J, with such success that it is predicted that by the end of 1977 Channel J will totally subsidize the operations of Manhattan Cable's two other access channels. Within a month of the launching of Channel J almost all of the 50 hours of prime time had been bought up to $50 per hour. Those who lease time do so for very different motives ranging from the straight profit motive to those organisations like Tarbuth, a Hebrew cultural group, who wish to

reach audiences which they feel might not be inclined to watch the traditional access channels.

Channel J is seen by Manhattan Cable as the natural outgrowth of the system's traditional access programme. Anyone with an idea and an interest in cable can get sufficient training from Manhattan Cable to produce a programme for Channel C, an access channel based on one-time productions, and can then graduate to producing a weekly programme and buying a regular audience on Channel D. Channel J provides the ultimate opportunity to be a regular and qualified producer. Manhattan Cable offers extensive training for from 3 to 6 months and makes staff available to work with programme producers, with the ultimate goal of making each group self-sufficient. Equipment is available at nominal prices. A black and white porta-pak with a two-man crew can be rented for a two-hour fee of $35, and people with sufficient technical experience can rent equipment without a crew for $10 per day.

There is a continuing and substantial growth in the use of the access channels, the size of the audiences and the sophistication of the users. Over a third of the programmes are now produced in colour and Manhattan Cable has recently been receiving an average of 30 new programme tapes per day.

It should be added that the current profitability of the Manhattan Cable operation as a whole (as of other large urban systems) is also due to the success of the Pay-TV channel using material supplied by Home Box Office Inc.